



Department of Housing and  
Community Development

**Second Deed of Trust**  
**Virginia Department of Housing and Community Development**  
**HOME Funds**

THIS DEED OF TRUST is made this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_,  
by and between \_\_\_\_\_,  
husband and wife or head of household, each of them individually as the consort of the other  
(herein referred to collectively as "Grantor") and Nikki Nicholau, Deputy Director of the Virginia  
Department of Housing and Community Development (herein referred to as the "Trustee").  
Whenever herein used, the singular form shall include plural and the plural shall include the  
singular, as may be appropriate in the circumstances.

NOW THEREFORE in consideration of the sum of \$ \_\_\_\_\_ cash in hand paid at  
settlement, the receipt of which is hereby acknowledged, the Grantor does bargain, sell, grant,  
and convey with the usual English Covenants and General Warranty of Title the following  
described property unto said Trustee, to wit:

SEE SCHEDULE "A"

IN TRUST NEVERTHELESSS, to secure the payment of the Grantor's obligations and  
indebtedness to the VIRGINIA DEPARTMENT OF HOUSING AND COMMUNITY  
DEVELOPMENT, including all extensions, renewals or additional advancements thereupon,  
which indebtedness shall be evidenced by one or more promissory notes which refer to this Deed  
of Trust, including but not limited to the following described obligations, to wit:

Deed of Trust Second Note, in the principal sum of the HOME DEFERRED PAYMENT  
LOAN in the amount of \$ \_\_\_\_\_, with no interest as agreed  
thereupon, shall be deferred in annual installments over the entire Period of Affordability  
assigned to the said loan. The first installment shall be deferred on the first anniversary of the

closed loan and each succeeding installment being deferred on the same day of each year thereafter with the entire balance of principal being cleared on the \_\_\_\_\_ th anniversary of the closed loan. It is expressly noted herein that each yearly installment shall be forgiven so long as the note holder occupies the property as their primary residence. If for any reason note holder(s) shall move from the residence, or the property title is transferred or sold, the balance of the deferred payment loan shall be due and payable in full to the:

VIRGINIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

HOME PROGRAM

501 North Second Street

Richmond, Virginia 23219

NOW, IF DEFAULT BE MADE IN THE PAYMENT OF THE OBLIGATIONS herein secured or upon any of the covenants contained herein, or any one of them, secured or upon any of the covenants contained herein, or if the installments of principal and interest be not paid as hereinbefore specified, then it shall become the duty of the said Trustee, upon being requested to do so by any holder of any of the obligations herein secured, to make sale of the property herein described, at public auction, in front of the Court House door in \_\_\_\_\_, Virginia, after advertisement of the time, terms, and place of sale upon such terms as to said Trustee may deem proper, and to distribute the proceeds of sale as required by the Code of Virginia, and the residue of the proceeds, if any, shall pay the Grantor or to the Grantor's heirs, assign, or personal representatives. For services as Trustee in the event of a sale hereunder, the Trustee shall be entitled to compensation in the amount equal to FIVE PERCENT (5%) of the gross amount realized at any such sale, together with any costs incurred by the Trustee in effectuating said sale, which shall be deducted from the proceeds of the sale.

ADVERTISEMENT REQUIRED: Publication of notices of sale once a week for two successive weeks in any newspaper of general circulation or published in the City or County where the property is located. Said sale may be held not less than eight (8) days following the first advertisement and not more than thirty (30) days following the last advertisement.

INSURANCE REQUIRED: THE GRANTOR CONVENANTS to purchase and maintain fire and casualty insurance on the improvements situated upon the property in the amount of not less than the full amount of the obligations hereby secured, the policies of which shall bear loss payable clauses to said Trustee or to the other holders of the obligations for the future securing of said obligations.

THE GRANTOR FURTHER CONVENANTS to promptly pay, when due, all taxes, levies, and assessments upon the property conveyed.

SUBSTITUTION OF TRUSTEE IS PERMITTED at the discretion of the beneficiary for any reason whatsoever, by an instrument in writing, duly executed, acknowledged, and recorded wherever this Deed of Trust is recorded. Any substitute Trustee hereafter appointed shall thereupon become vested with, and succeed to, all the title, power, and duties hereby conferred upon the Trustee named herein, the same as if the substitute Trustee has been named the original Trustee by this instrument.

THIS COVENANT IS MADE under and subject to the provisions of Sections 55-59, 55-59.1 through 55-59.4 inclusive, and 55-60 of the Code of Virginia's (1950) as amended, and unless this Deed of Trust states otherwise, it shall be construed to impose and confer upon the parties hereto and the beneficiaries hereunder all the duties, rights, and obligations prescribed in said Sections 55-59 through 55-60, inclusive. And in short form, as said sections provided, Grantor and Grantee further agrees as follows:

1. Exemptions waived
2. Renewal, extensions or reinstatement permitted
3. Right of anticipation reserved, as set forth in the obligations secured

4. Subject to all upon default

5. Any Trustee may act.

The Grantor hereby consents to foreclosure by the Trustee named herein in the event of a Default, notwithstanding that the Trustee may have supplied legal advice to or represented the Grantor in this transaction.

THE DEBT(S) SECURED HEREBY ARE SUBJECT TO CALL IN FULL OR PART THE TERMS THEROF BEING MODIFIED IN THE EVENT OF ANY SALE, TRANSFER, GIFT, OR CONVEYANCE OR ANY INTEREST IN THE PROPERTY HEREBY SECURED, OR ANY PORTION THEREOF.

WITNESSETH the following signatures and seals this day and year first above written.

\_\_\_\_\_  
(Grantor)

\_\_\_\_\_  
(Grantor)

I, \_\_\_\_\_, a Notary Public in the State of Virginia at Large, do certify that \_\_\_\_\_, Whose name is signed to the foregoing Deed of Trust dated \_\_\_\_\_, has personally appeared and acknowledged the same before me in the State and City aforesaid.

Given under my hand this \_\_\_\_ day of \_\_\_\_\_, 200\_

\_\_\_\_\_  
NOTARY PUBLIC

My commission expires: